

September 28, 2005

Human Capital Management Plan
Office of Policy and International Affairs

MISSION

The Assistant Secretary for Policy and International Affairs (PI) is the primary policy advisor to the Secretary, Deputy Secretary, and Under Secretary on domestic and international energy policy development, evaluation, and implementation. PI provides Departmental leadership on implementing the National Energy Policy; implementing Departmental and Administration energy policy initiatives; evaluating legislative and regulatory proposals affecting the energy sector; and coordinating energy policy across the Department. PI represents the Department and the United States Government in interagency processes, intergovernmental forums, and bilateral and multilateral proceedings that address matters relating to the development and implementation of national and international energy policies, strategies and objectives.

As stated in DOE missions and goals, PI both carries out its own mission and supports other program offices in carrying out their missions.

BUSINESS VISION

Through leadership, coordination, and analysis, Office of Policy and International Affairs' programs will significantly contribute to energy policies and initiatives that support PI's twin goals of Energy Security and Environmental Stewardship as follows:

- Increase supplies of energy from more diverse domestic and foreign sources
- Assure sufficient reliable capacity for importing, refining, generating, and distributing energy within the North America
- Increase market responsiveness and energy efficiency, both in the U.S. and globally
- Advance energy-related science and technology developments
- Maintain readiness to respond to energy supply disruptions
- Develop and oversee the implementation of effective strategies for addressing the risks posed by global climate change
- Ensure that environmental policies are designed to achieve key environmental objectives while minimizing their potential adverse impacts on energy security or the economy .

PI requires a highly trained Federal staff of 129 international relations specialists, policy analysts, economists, industry specialists, and others, supplemented by contractors who are hired to perform specific studies and analysis. Potential imminent retirements would have a major impact on the PI workforce in that, between today and the end of 2006, over 40 percent of PI's total staff, over 60 percent of PI's senior staff (GS-14 and above), and nearly 70 percent of PI's supervisory/management team will be eligible for optional retirement. These threats to PI capabilities come at the same time that PI is being asked to take on major new responsibilities, such as leading and coordinating the President's National Energy Policies and the Secretary's energy policy initiatives. Addressing these

human capital management issues is a high priority for PI and is being addressed on several fronts, as described in the following workforce plan. This element-wide vision guides all PI human capital planning and activities.

HIGHLIGHTS OF PROGRESS TO DATE

The Office of Policy and International Affairs (PI) has met all but a few of the milestones in the Human Capital Strategy and Workforce Plan and the following are highlights of progress to date. PI carried out a major reorganization in order to better support the President's national energy policy and established a process for regular review of the organizational structure. As a part of the reorganization, PI eliminated/consolidated several offices and flattened the organization. PI has also conducted skills gaps analysis and specific requirements were collected. PI emphasized training, including leadership training and training related to program management/acquisition skills, in order to support succession efforts and address skill gaps. Both traditional classroom training and rotational assignments were used. PI utilized the Department's PMI, HBCU and HSI programs. Employees subsequently hired are being mentored by their senior level managers. PI has also completed and issued a Federal Equal Opportunity Recruitment Plan (FEORP) and considers the use of HBCUs, HSIs, and TCUs when awarding contracts. All individual performance plans have been linked to PI mission and the DOE strategic plan. As part of Knowledge Management, PI also created a list of experts in various subject areas and put up same at the PI website where it can be accessed by all DOE employees. PI will complete all additional milestones in the plan, continue refining data on critical positions, and implement all additional appropriate departmental initiatives. Some initiatives, such as encouraging training and review of organizational structure for additional improvement, will be ongoing. Most importantly, PI will continue to pursue the additional funding necessary to address skill gaps and succession issues.

LINKAGE BETWEEN HCM PLAN AND BUDGET

All significant aspects of the PI Human Capital Plan were considered as PI developed its FY 2007 Corporate Review Budget submission. For example, funding within target is allocated for hiring additional personnel in order to address critical skills shortfalls within the office and to meet workforce plans. Additional hiring is also critical in addressing succession needs. All required training is requested in the budget. Strategic goals were linked to all personnel performance plans. Finally, support services are analyzed and sized according to need and funding availability.

HUMAN CAPITAL STRATEGY

To align its workforce with the above business vision, the Office of Policy and International Affairs will:

1. Integrate Human Capital into its strategic plan
2. Conduct a staffing analysis
3. Develop a workforce plan

4. Recruit diverse high-caliber staff with skills and abilities needed to achieve strategic goals and objectives
5. Invest in training and development of its workforce
6. Link strategic goals to individual performance plan
7. Develop a system that monitors, tracks and reports achievement of results
8. Make PI a federal employer of choice

WORKFORCE PLAN

Workforce Analysis - In 2003, PI conducted a major analysis of its workforce and organizational structure. The primary purpose of the review was to examine PI's ability to support the President's goals, particularly with regards to the President's National Energy Policy (NEP) and in light of continuing resource shortfalls. The primary conclusions were that:

1. Office of National Energy Policy. A new Office of National Energy Policy (NEP) was required to lead this massive initiative. However, the number of additional FTES required is relatively small because existing resources in other PI offices can also be used to achieve this goal.
2. Eliminate/Consolidate/Create Offices. Three offices could be eliminated and their functions absorbed by existing offices. One new office, the Office of American Affairs, was needed in order to recognize the significantly increased emphasis on this area.
3. Skills Gaps. Some skills necessary to accomplish the mission are not in sufficient supply, while others are less necessary. For example, there is less need for secretarial support and general management support than there is for additional policy analysis, international relations, and financial expertise.
4. Succession. Retirements will likely cause significant shortfalls in a number of areas within PI, especially within the ranks of management.
5. Diversity. There is adequate diversity with regards to some groups, especially in upper management, but this is lacking for others. Additional diversity should be pursued, particularly at the Office Director level.
6. Other. One organizational layer, the Office of the Principal Deputy Assistant Secretary (PDAS), could be eliminated as a separate organization. The current span of control is the best possible given the extremely broad and diverse subject areas handled by PI.
7. PI will continue to look for opportunities to better structure the organization to better support Administration priorities.

Workforce Action Plan – The above issues, as well as others, are addressed as follows:

1. Office of National Energy Policy - Action Plan:

- A. Create new Office. Re-evaluate efficacy of structure after one year.
 - a. Action – Carry out as part of Strategic Planning effort
 - i. Milestone – Complete by 1/30/04. STATUS - Completed ahead of schedule. This restructuring has allowed us to hire a minimal number of additional personnel in order to support the President's National Energy Policy (NEP). Without this restructuring, it would not have been possible to provide this level of support.

2. Eliminate/Consolidate/Create Offices as necessary to better support the President's national energy policies - Action Plan:

- A. Eliminate the Office of Nuclear Materials Management Policy, the Office of Energy Emergencies, and the Office of National Security.
 - a. Action – Carry out reorganization
 - i. Milestones – Complete by 12/31/03. STATUS - Completed ahead of schedule. Elimination of these offices has resulted in resource reductions with no impact on accomplishment of mission.
- B. Create the Office of American Affairs and Climate Change Technology Program Office (CCTPO).
 - a. Action – carry out reorganization
 - i. Milestone – Complete by 12/31/03. STATUS - Completed ahead of schedule. Creation of the Office of American Affairs has resulted in an increased organizational focus on vital North American energy issues, which are a Presidential priority. Creation of the CCTPO allows DOE to effectively participate in the President's Interagency Working Group of the Cabinet-level Committee on Climate Change Science and Technology Integration (CCSTI) and to help ensure that federal research in this area, government-wide, is focused on priority requirements.
- C. Annually re-evaluate organizational structure
 - a. Action – Carry out as part of Strategic Planning effort
 - i. Milestone – Complete by 1/30/04. STATUS – Completed ahead of schedule. For FY 2005, was scheduled for September of 2005 as part of strategic/workforce planning, but the meeting was pre-empted by the requirement to provide emergency response to the two hurricanes. Meeting being re-scheduled for mid-October of 2005.

3. Address Skill Gaps - Action Plan:

- A. Create a catalogue of skill gaps using both knowledge gained through analyses performed as a part of a recent major reorganization, as well as additional analyses performed as a part of overall strategic planning.

- a. Action – For FY 2005, will carry out primarily as part of PI Strategic Planning effort. Also performed additional midyear review.
 - i. Milestone - Complete by 1/30/05. STATUS - Completed on schedule. Requirements collected. Updated in August of 2005.
 - b. Action – Determine opportunity and interest in buyouts/early outs
 - i. Milestone – Ongoing. STATUS – Determined that these were not required for FY 2005.
 - c. Action – Submit request, if any, for buyouts/early outs
 - i. Milestone – NA. STATUS – NA
- B. Hire personnel with necessary skills that are in deficit as soon as resources are available.
 - a. Action – Prioritize hiring requirements, largely as part of the Strategic Planning process
 - i. Milestones – Ongoing, with focus at year end STATUS – Used priorities to select hires throughout the year. Will review as part of annual strategic/workforce planning meeting, now scheduled for October 2005. Also transferring 9 FTEs in from EE.
 - b. Pending funding availability, carry out hiring actions in priority order
 - i. Milestones – Submit paperwork to hire by end of FY 2005, pending funding. STATUS – Hired ten personnel to address priority skill gaps.
- C. Generally target hiring towards lower grade levels than currently exist, emphasizing developmental positions. However, in selected cases, hiring at senior levels to fill skill gaps will be most appropriate.
 - a. Action – If hiring is possible, positions will be evaluated and, for those for which it is most appropriate, position descriptions will be re-written and jobs advertised at lower levels than is currently the case.
 Milestones – Submit paperwork to hire by end of FY 2005, pending funding.
 STATUS – Of 10 positions hired, six used lower grade PDs than were previously used for these jobs.
- D. Increase motivation and commitment in the workforce
 - a. Action - Provide career opportunities and challenging work. Let employees know of their importance to the good of the country. Provide formal and informal recognition. Provide monetary and time off awards. Support career training.
 - b. Milestone – Ongoing. STATUS - Provided recognition, including monetary and time off awards. Held photo sessions with some award winners. Providing some additional monetary awards. Assistant Secretary sends out personal thanks for selected jobs. Individuals also recognized for their work at Monthly All-Hands meetings.
- E. Emphasize career skills training for all employees.
 - a. Foster a culture of continuous learning by maintaining resource levels for training and approving requested training as appropriate.
 - i. Action – Protect funding for training

1. Milestone – Ensure that funding is adequate to meet all requirements. STATUS – Achieved. All required training was funded.
- b. Foster a culture of continuous learning by utilizing rotational assignments both within and outside of PI.
 - i. Action – Find rotational training opportunities and send individuals on rotation.
 1. Milestone – Ongoing. STATUS - Several individuals currently on rotation both within and outside of PI. For example, PI employees have been detailed from within PI to the International Energy Agency and the Overseas Private Investment Corporation. These training opportunities come at no additional cost to PI.
- c. Training will emphasize analytic skills which support career progression in accordance with organizational mission and priorities.
 - i. Action – Approval of training requests will largely be based on the extent to which the additional skills and knowledge gained through training will support accomplishment of organizational mission and priorities
 1. Milestone – Ongoing evaluation as training requests are submitted. STATUS – Is ongoing. Using skill gaps analysis for this purpose.
- d. Acquisition/contract management skills training will be also emphasized
 - i. Action – Acquisition/contract management skills training will be given priority for approval. PI personnel with acquisition/contract management skills training will be encouraged to upgrade their skills.
 1. Milestone – Ongoing evaluation of training requests. Those with acquisition/contract management responsibility will be contacted by management and encouraged to upgrade their related skills. STATUS - Completed 5/19/04. Will continue to watch for requirements for such training.
- e. Learning technology and alternative learning strategies are used where appropriate, such as via subscriptions to DOE's Online Learning Center (OLC)
 - i. Action – Survey PI personnel for interest in using the OLC. Get subscription for those who are interested.
 1. Milestone – Complete survey and signup by 9/30 of each year. STATUS – Completed ahead of schedule. Conducting survey now for FY 2006.
- f. Use IT equipment to promote the sharing of knowledge.
 - i. Action – Promote use of shared databases, e-mail distribution lists, electronically track changes in documents being reviewed, maintain PI website and create other specialized websites as necessary, etc.

1. Milestones – Ongoing. STATUS – Is ongoing. Adding more data onto the P drive (shared drive). Reorganizing new and existing P drive data and eliminating less useful – all to make for much easier access. Updated the PI website.
- F. To meet intermittent peak requirements, use intermittent employees to bring in critical skills on an as-needed basis.
- a. Action – Continually monitor workload for upcoming spikes. Hire intermittent employees as necessary
 - i. Milestones – Ongoing. STATUS – Contractors hired as necessary to meet selected intermittent workloads, for example to support creation of an international agreements matrix – a Secretarial priority.
- G. Diversity will be a significant factor in these processes.
- a. Action – Diversity will be considered as a factor in decisions on hiring and training
 - i. Milestones – Ongoing. STATUS – Ongoing. Diversity considered as a factor in these decisions. Issued a Federal Equal Opportunity Recruitment Plan.
4. Succession Planning – Use DOE Succession Planning Model – Action Plan:
- a. Action – Identify critical positions - Deputy Assistant Secretaries (DAS) nominate positions to be considered “critical” based on mission objectives and staffing structure. Assistant Secretary (AS) and/or PDAS review nominations and make final determinations.
 - i. Milestone – Complete review and approval by 2/28/04. Review annually at the beginning of the fiscal year. STATUS – Partially completed, with candidates being given opportunities to serve as acting Office Directors. No dollar cost. Next review will be completed as part of strategic/workforce planning in October.
 - b. Action – Identify potential succession candidates - DASs select candidates, using merit/performance-based selection process.
 - i. Milestone – Complete identification of potential candidates by 3/31/04. STATUS – On-going initiative. Candidates identified by various means including formal and informal programs, response to training offers, expressions of interest/follow-up-action. No dollar cost.
 - c. Action – Ensure that candidates receive developmental experiences.
 - i. Milestone – Ongoing. STATUS – See above. Funding is being made available for this purpose.
 - d. Action – Use additional developmental programs, such as the PMI program and the new DOE intern programs, to bring in potential “next generation” leaders.
 - i. Milestone – As resources permit, participate in the PMI jobfair in the Spring and other intern programs as participation dates are announced. STATUS – Hired 4 PMFs and two coop interns in FY 2005. Additionally, hiring action is in process for 1 more PMF. .

- e. Action – Increase the involvement of junior staff in meetings/negotiations and trips and decrease same for senior staff, thereby affording junior staff more opportunities to develop contacts and gain experience.
 - i. Milestone- Ongoing. STATUS – Is ongoing at no cost.
- f. Action - Emphasize training in leadership skills as funding permits.
 - i. Milestone – PI-10 provides information on available training to all selected candidates and their supervisors by 4/30/04 – STATUS – Completed. Additionally, data on training sent out again in the Spring of 2005. Will consider training requirements as part of developing IDPs, to be primarily completed by 9/30/05.
- g. Strategic Knowledge Management – Use the DOE Knowledge Management Program. Create means for senior staff to pass information on to junior staff.
 - i. Action - PI-10 provides guidance on DOE Knowledge Management Program to all PI personnel. Develop list of experts and put at the PI website. Improve sharing of information within PI by reorganizing the shared computer drive. Milestone – Provide information, put up list of experts and reorganize P-drive by 9/30/05 STATUS – Completed.
- h. Create written files to the extent possible so that critical information is available outside of individual's memory.
 - i. Action – Individuals responsible for various information areas create, preferably shared electronic, files of their critical information
 - ii. Milestone – Complete by 9/30/04. STATUS – Working to complete. Procurement and contracting files upgraded. Working to upgrade personnel files. Continue to stay in line with and informed on relevant Departmental efforts and action items.

Diversity will be a significant factor in these processes.

- a. Action – Diversity will be considered as a factor in selecting succession candidates and providing related developmental experiences
 - i. Milestones – Ongoing. STATUS – Is ongoing. Issued final Federal Equal Opportunity Recruitment Plan. Several of those afforded the opportunity to gain experience as an acting Office Director are minority status.

5. Diversity – Work to enhance diversity – Action Plan

- A. Action: As funding permits, use summer hires to increase the pool of qualified diversity candidates.
 - i. Milestone – By 3/31/05, evaluate whether funding will allow hiring summer hires. If so, then hire up to 5 personnel for the summer through this program. STATUS – Hired ten summer hires including diverse personnel.
- B. Action: As funding permits, continue to support organizations such as HBCU and HSI.

- i. Milestone – In 1/05, request that DAS submit AOP requests and ask that they consider using HBCU and/or HSI to accomplish these tasks. In considering AOP requests, give additional weight to those that use HBCU and/or HSI. STATUS – Completed 2/05. AOP decisions made and HBCU/HSI/TCU input, as provided, was considered in these decisions. Requested additional funding in FY 2006 to support this purpose.
- C. Action - mail copies of entry-level job announcements either to these organizations or directly to the colleges and universities.
 - i. Milestone – Ongoing as entry-level jobs, if any, are announced. STATUS – Completed.
- D. Action – Ensure that senior level positions are advertised to a diverse pool of potential candidates.
 - i. Milestone – Ongoing as such positions are advertised. STATUS – Continue to ensure that the few senior positions being hired are advertised to a diverse pool of potential candidates.

6. Other – Action Plan

- A. Action: Consult NTEU as appropriate, both formally and informally, on major human capital issues.
 - i. Milestone – Ongoing as required. STATUS – Worked with NTEU, as appropriate on relevant issues, including those pertaining to office space and attendance issues.
- B. Action: Promote ethical behavior through modeling by supervisors and senior personnel and by reflecting such behavior in all dealings and publications.
 - i. Milestone – Ongoing. STATUS – Is ongoing.
- C. Action: Share the latest Mission and Function Statements and any official PI Strategic Plan with employees.
 - i. Milestone – Provide by NLT end of January. STATUS – Provided 3/15/04.
- D. Action: Eliminate one layer of the organization so that PI will have, at most, only 2 layers between the bottom of the organization and the top (the Assistant Secretary). This is the lowest appropriate number of layers for accomplishment of the PI mission.
 - i. Milestone – Complete by 12/31/03. STATUS – Completed ahead of schedule.
- E. Action: Continue to ensure lowest number of layers and largest appropriate span of control.
 - i. Milestone – Review annually as part of strategic planning process in the last and first quarters of the fiscal year. STATUS – Will review again as part of strategic/workforce planning in October 2005. Management layers remain at only 2 between bottom and top of the organization. To reduce the number of layers, would unduly increase the span of control. Optimization of organization is demonstrated by the fact that, for span of control, the last review showed that functions within PI are too diverse and extensive, covering all domestic and international energy issues of interest

to the U.S., to be effectively consolidated. Further reduction of span of control would be detrimental to achievement of the President's initiatives.

F. Action – Ensure that individual performance plans are linked to strategic plans, Presidential initiatives, and the organization's mission.

i. Milestone – complete review and update of all performance plans by 3/31/04. STATUS – Completed ahead of schedule. 100% of PI performance plans are linked to the appropriate PI and DOE performance goals. Linkage enhanced evaluation of the number of FTEs required to accomplish the mission and thereby refined the number of FTEs that were ultimately requested in the budget.

Ongoing Improvement of the Workforce and Organization – Action Plan.

A. Action: At the beginning of each fiscal year, re-examine the organization to see if it is best structured to meet customer needs (i.e., the mission/administration goals), for new skill requirements and emergent deficiencies, and for possible re-organization, delayering, increase in span of control and changes in workforce/organizational structure.

a. Milestone: Accomplish as part of Strategic/Workforce Planning Process. Complete by end of January. STATUS – FY 2004 actions completed through the Strategic Planning Process. FY 2005 activities will take place in October of 2005.

B. Action: Reexamine mission critical occupations and competencies. Refine strategies as necessary.

a. Milestone: Accomplish as part of Strategic/workforce Planning Process. Complete by end of January. STATUS – FY 2005 actions completed through the Strategic Planning Process. Each Deputy Assistant Secretary examined and reported on shortfalls within their area of responsibility. There are shortages throughout the organization in mission-critical occupations, particularly in the areas of policy analysis and international relations specialists. Organization was found to be understaffed by about 25%. This shortfall was partly addressed by hiring and partially by training and rotations. Will continue to analyze.

Performance Measures – Action Plan:

A. Action: The most important measurement is customer (Secretary of Energy) satisfaction with policy and international relations work. Solicited Secretary of Energy's critique regarding satisfaction with PI's performance as expressed through a straightforward, analytical customer survey

a. Milestone – Request critique each trimester of the fiscal year. STATUS – Accomplished through ongoing discussions with the Secretary.

B. Action Plan: Reduce the number of positions with skill sets that are not as necessary.

a. Milestone - Annually review requirements as part of strategic planning. For FY 2004, complete by 1/31/04. For subsequent reviews, complete by

end of 9/30/04. STATUS – Completed. Next review delayed until strategic/workforce planning meeting in October of 2005. .

- C. Increase the number of positions with necessary skill sets (as resources permit).
 - a. Milestone - Annually review requirements as part of strategic planning. For FY 2004, complete by 1/31/04. For subsequent reviews, complete by 9/30/04. STATUS – Will review as part of October Strategic/Workforce planning meeting.
- D. Eliminate/consolidate/create offices as necessary to better support the President's national energy policies.
 - a. Milestone - Annually review requirements as part of strategic planning. Complete by 1/31/04. STATUS – Will review as part of October Strategic/Workforce planning meeting.